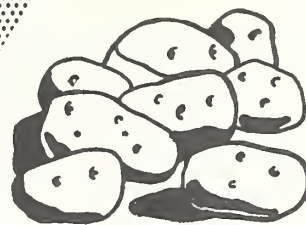


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CURRENT SERIAL RECORDS

↑ **SPRING
POTATOES** +

+ **1967 ACREAGE-MARKETING
GUIDES**)



U.S. DEPARTMENT OF AGRICULTURE • CONSUMER AND MARKETING SERVICE

November 1966 • AMG 53

FOREWORD

"American agriculture today is freer than it has been for 30 years. There are few controls. Programs for such basic commodities as feed grains, wheat, and, in part, cotton, are now voluntary programs. Farmers have broad discretion in deciding whether to be in or out of the program. And there never have been controls of any kind on soybean and dairy production.

"Under voluntary programs, the farmer himself decides whether he wishes to join in the program to balance production with demand ... or wants to go it alone in the marketplace." 1/

The acreage-marketing guides program, a voluntary program, is designed to help potato growers in appraising the markets for their crop and developing a realistic planting and production schedule. The guides provide the latest information concerning the market potential for potatoes and the acreage needed to produce a supply in balance with market needs.

The guides are prepared by commodity specialists who follow the market for potatoes closely throughout the year. They analyze the variations of the market, check production and market opportunities, interpret the past seasons and their meaning for the coming one. All factors affecting the supply and demand for potatoes are considered.

On the basis of this continuous study of the potato market, specific recommendations are prepared. These recommendations are an effort by USDA to help growers provide adequate potato supplies -- enough to satisfy consumers' needs but not so much that prices get depressed.

The guide for each state is presented in terms of a percentage change in potato acreage from the preceding year's acreage. Each grower then can apply this percentage change to his own operation and obtain his individual guide. The recommendations are reviewed before publication by representatives of various agencies in the USDA with particular interest in the potato industry.

The fundamental concept behind the guides program is that, given the latest information available, the potato grower will make intelligent decisions for his and the industry's best interest. When growers have kept acreage within the levels recommended by the USDA, few marketing difficulties have been encountered.

1/ Excerpts from Address by Secretary of Agriculture Orville L. Freeman at the 44th Annual National Agricultural Outlook Conference, Jefferson Memorial Auditorium, USDA, Washington, D. C., November 14, 1966.

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1967 ACREAGE-MARKETING GUIDES SPRING POTATOES

I. INTRODUCTION

The basic objective of acreage-marketing guides is to bring about a needed change in planted acreage from that of the preceding year so that the resulting production will be in balance with market needs. The performance of every potato producer has a bearing upon the ultimate market for this commodity. Therefore, to improve prospects for a successful season, each grower should adjust his own acreages in accordance with the individual state guide.

The recommended acreage adjustments necessarily assume normal weather, usual planting schedules, and normal harvesting and marketing patterns. The recommendations also assume average yield per acre will be obtained. With these conditions, production from the guide acreages would provide adequate supplies for all outlets under prospective demand conditions.

Before planting time, growers and processors should evaluate carefully their potential outlets. Potato producing areas which have developed local outlets, such as starch processing facilities or livestock feeding programs for the utilization of culls and other low-grade potatoes, have assured themselves of a valuable price stabilizer. Areas without such local outlets for the utilization of low-grade supplies should make efforts to establish them. The USDA stands ready to provide guidance and suggestions for such endeavors.

II. GUIDES FOR SPRING CROP

The acreage-marketing guides for 1967 early and late spring potato producing states are shown on the opposite page. These recommendations cover potato areas that harvest and market their crops principally during April, May and June, and whose combined crops normally account for one-tenth or more of the annual supply.

Marketing of the large 1966 spring crop was highlighted by competitive market pressures arising from large holdings of fresh and processed potatoes, as well as from overlap in shipments from the large early summer crop. Moreover, there was bunching of spring harvests, particularly in Arizona and California. Also, in the last half of the Florida marketing season, demand for that State's supplies for chipping was disappointing.

The estimated prices received by farmers for 1966 spring potatoes was \$2.31 per hundredweight. This compared with \$4.74 in 1965, and the 1960-64 average of \$2.50. Total value of spring potato production in 1966 was \$74 million, about one-half the 1965 record of \$143 million. A reduction in spring plantings in 1967, combined with average yields, would result in a spring potato crop in better balance with market needs as compared with 1966.

For 1967, the spring guide is 146,815 acres, 13 percent less than the 1966 planting total, but one percent above the 1961-65 average. With average yields per acre by States in 1967, the probable production from the guide acreage would be 28.3 million hundredweight. This is 11 percent less than the

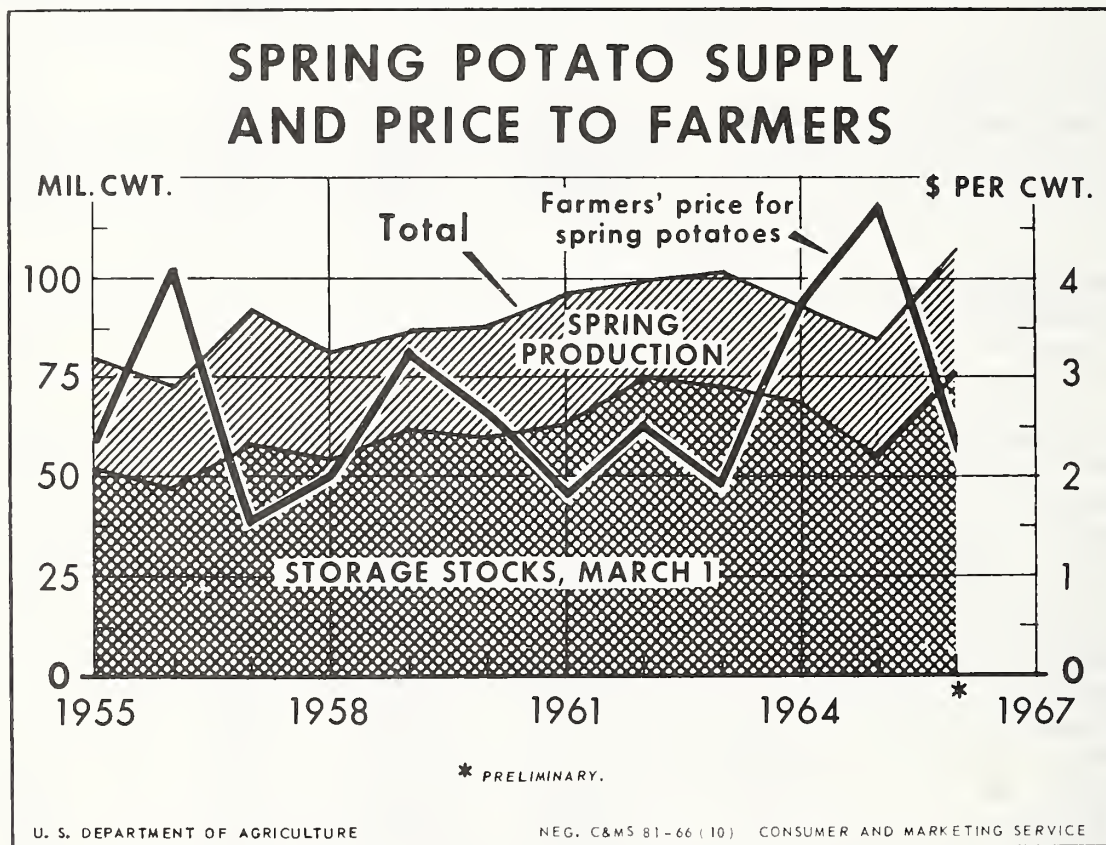
Potatoes, Spring Crop: Acreage-Marketing Guides
for 1967 with comparisons

Season and State	: : Acreage : planted, : 1966 :	: : Acreage : guide, : 1967 :	: Percentage : acreage : guide is of : 1966 planted: : acreage :	: : Marketing : guide, : 1967 :
	<u>Acres</u>	<u>Acres</u>	<u>Percent</u>	<u>1,000 cwt.</u>
<u>Early Spring:</u>				
Florida, Hastings	30,500	26,025	85	4,216
Florida, Other	3,000	2,550	85	296
Florida, Total	33,500	28,575	85	4,512
Texas	5,500	4,675	85	332
Total	39,000	33,250	85	4,844
<u>Late Spring:</u>				
N. Carolina, 8 N. E. Counties	11,700	10,420	89	1,407
N. Carolina, Other Counties	3,500	3,120	89	362
N. Carolina, Total	15,200	13,540	89	1,769
South Carolina	2,800	2,800	100	232
Georgia	300	300	100	19
Alabama, Baldwin	17,000	14,890	88	1,846
Alabama, Other	6,700	6,200	93	583
Alabama, Total	23,700	21,090	89	2,429
Mississippi	3,500	2,985	85	191
Arkansas	4,200	3,915	93	227
Louisiana	4,200	3,785	90	174
Oklahoma	1,200	1,170	98	68
Texas	8,800	7,475	85	613
Arizona	13,100	11,135	85	2,583
California	52,000	45,370	87	15,199
Total	129,000	113,565	88	23,504
Total Spring	168,000	146,815	87	28,348

large crop in 1966 of 32 million hundredweight, but slightly more than the 1961-65 average of 28.2 million. The guide production for 1967 should satisfy all usual market needs for spring potatoes.

In the important spring producing States, the guides call for a 15 percent reduction in acreage in Arizona, Florida and Texas, 13 percent less acreage in California (the leading spring source), 12 percent less in Alabama's Baldwin area, and 11 percent less in North Carolina.

The spring potato crop is sold largely in table market outlets. However, there has been a moderate upward trend in the amount of spring potatoes used by chippers. Some of the production in Alabama, Arizona, California, Florida, North Carolina and Texas is processed by chippers. Very little of the spring crop is used for seed. And usually only a small quantity of spring potatoes is sold for livestock feed or is accounted for as shrinkage and loss.



A reduction in spring plantings in 1967 combined with average per-acre yields would result in a 1967 spring potato crop in better balance with market needs as compared with the heavy supply and barely satisfactory market tone indicated in 1966.

III. DEMAND FOR POTATOES IN THE SPRING OF 1967

Demand for goods and services in the U. S. economy rose rapidly during the first three quarters of 1966 and further expansion is expected in 1967. Consumer disposable income during the first nine months in 1966 averaged almost 8 percent above a year earlier. Spending for food also averaged well above year-earlier levels.

Although economic growth is expected to continue in 1967, the rise probably will not match the very large increase indicated for 1966. The rate of increase in economic activity in 1967 will depend importantly on the turn of events in Vietnam and their impact on other government programs and business fixed investment. Expanding output, more jobs, and rise in wage rates will increase consumer incomes further in 1967.

With increases in consumer buying power, demand for potatoes and other farm products is expected to be well maintained. Total potato consumption per person in 1967 is expected to be about as much as in 1966. Growth in population is expected to give the market a strong base. Consumer use of fresh potatoes is expected to hold about steady. But with rising incomes, consumers are likely to increase their purchases of processed potato products, particularly frozen and dehydrated items and chips.

Although the strong economy is a positive factor in the outlook for potato marketing, prices received by growers will be influenced largely by the amount of tonnage produced. In addition, timeliness of harvest and the quality of supplies ordinarily affect market returns. Grower-processor contracts will improve the likelihood of market stability.

IV. DEVELOPMENT OF THE GUIDES

The principal uses of potatoes are for food and for seed. Commingled with food and seed supplies are quantities removed in the grading process and surplus stocks. Quantities not required for food and seed and those removed in the grading process -- the so-called residual quantities -- are moved to live-stock feeders or to starch plants. Some of the residual quantity also is accounted for by shrinkage, waste and loss.

In the development of spring crop guide recommendations for potatoes, the initial procedure is to establish a national marketing guide. A summary sheet of production and utilization data for several past crop years is prepared. Production and price relationships are evaluated in relation to levels and trends in use of potatoes in principal outlets. These levels and trends are the basis for estimating potato needs in the crop year ahead. The sum of these potato needs is the national marketing guide. The national guide is distributed to the seasonal crops and to individual States on the basis of both recent average yields per acre and average production.

For the 1967 crop year, a national potato marketing guide of 279.0 million hundredweight is recommended. This is 7 percent less than the 1966 crop of 300.0 million hundredweight, but it is 2 percent more than the 1961-65 average production of 272.2 million hundredweight. A summary of estimated utilization for the 1967 marketing guide is shown below with comparisons.

Utilization items	: Average : : 1959-63 :	1964	: 1965	: Probable, : : 1966	: Guide : 1967
<u>Million hundredweight</u>					
Food	206.6	197.3	234.1	231.6	230.3
Seed	21.0	21.7	23.5	22.0	22.0
Residual	<u>39.5</u>	<u>20.3</u>	<u>32.2</u>	<u>40.4</u>	<u>26.7</u>
Total production	267.1	239.3	289.8	300.0	279.0

The total production of potatoes in the 1965 crop year was 21 percent above the "short" 1964 crop, and 8 percent above the 1959-63 average production. The sharp change in total production in the successive years 1964 and 1965 is representative of the extreme fluctuations that may occur in this industry.

The 1965 crop met a good reception in market outlets, particularly from processors who bid aggressively for supplies because their warehouse inventories had become nearly depleted by the start of the 1965 marketing year. The farm price for 1965 crop potatoes was \$2.54 per hundredweight, equivalent to 95 percent of parity. The 1964 price was a record \$3.50 per hundredweight, 145 percent of parity. The June-October, 1966 farm price average was \$2.03 per hundredweight, or 72 percent of parity.

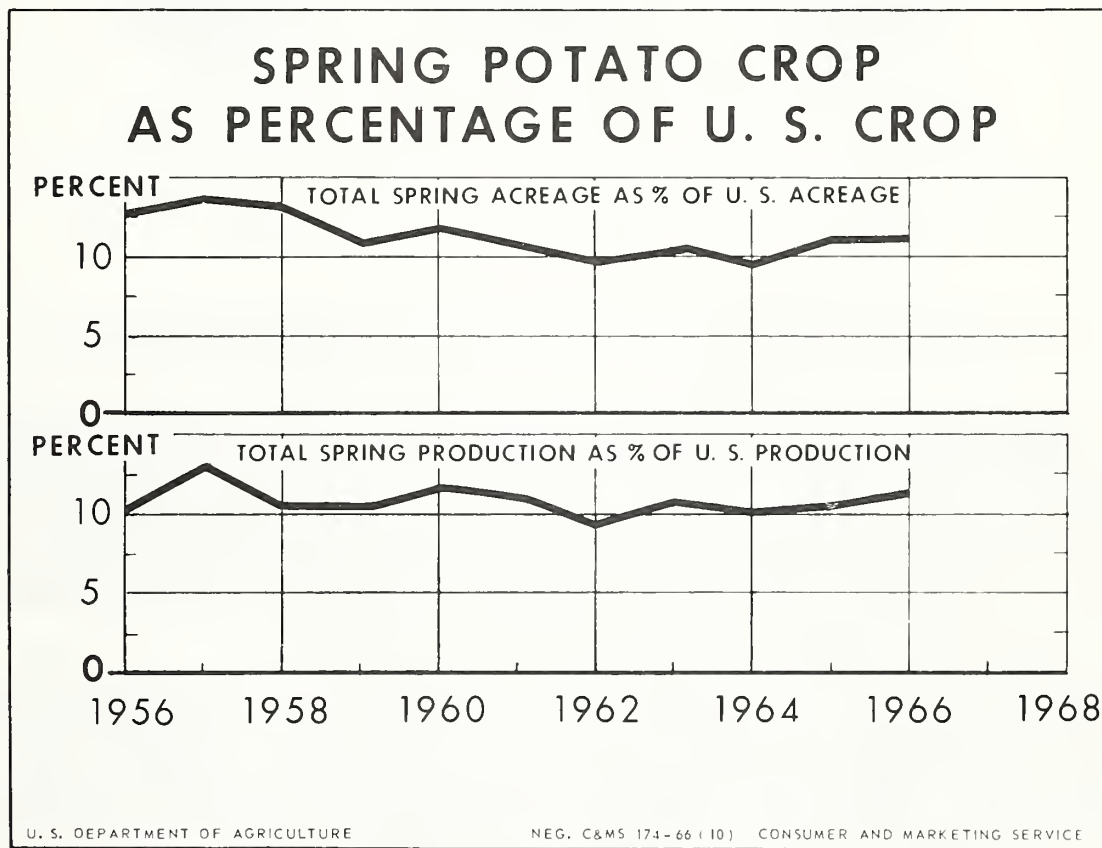
The total use of potatoes for food has shown a strong uptrend during the past decade. However, the percentage of total food use accounted for by fresh potatoes has declined sharply, from 86 percent in 1956, to 61 percent in 1965. During this same period, processed potato items, which accounted for only 14 percent of total food use in 1956, had climbed to 39 percent in 1965. The inverse trend in fresh and processed use is expected to continue; a 50/50 percentage relationship between fresh and processed food potato use may possibly result before 1970.

Although total tablestock sales in the 1965 season showed a significant gain compared to 1964, they failed to reverse the downward trend initiated in the 1962 season. But major processed food items registered increases in 1965, continuing the long term trend. Compared with 1964, the quantity dehydrated in 1965 was up 86 percent, and the quantity frozen was up 58 percent. The quantity used for potato chips was up 9 percent and use for canning was 5 percent more than in 1964.

The gross per capita availability of potatoes for food in the 1965 marketing year was indicated at 122 pounds. This was 18 pounds more than in 1964 and the largest amount since 1947. Part of the gain of 18 pounds was incorporated in the build-up in inventories of frozen and dehydrated potatoes and in increases in exports. For estimating purposes, however, and after adjusting for changes in inventories and exports, net per capita food use can be con-

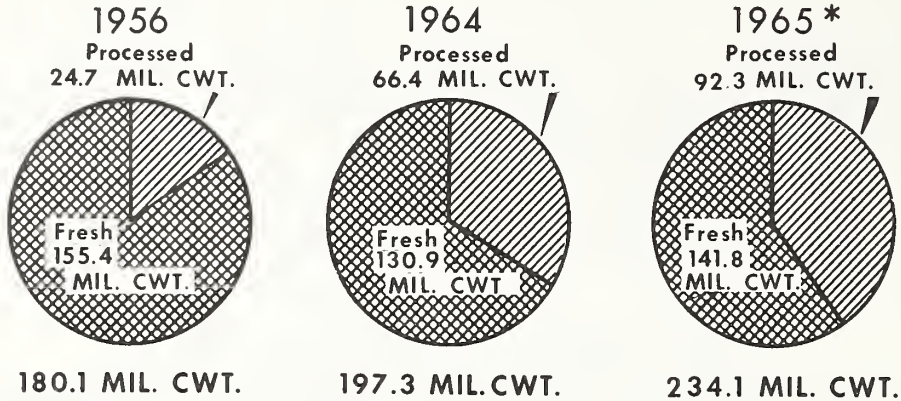
sidered relatively stable, ranging from 105-115 pounds annually. For purposes of 1967 guide determinations, the gross per capita availability was established at 118 pounds.

Import-export activity in potatoes normally is equivalent to one or two percent of the total domestic supply. Most of the trade takes place with Canada, with potatoes flowing in both directions between countries. Exports of dehydrated potatoes in the 1965-66 season is expected to exceed 10 million pounds. Overseas demand for dehydrated potatoes has been strong. Significant additional growth in demand in Western European Countries for processed potatoes probably would result in the construction and expansion of manufacturing facilities in that area. Thus, the long range prospects for exports of processed potatoes do not appear favorable. In 1967-68, foreign trade in potatoes is not expected to affect domestic supplies or prices significantly.



POTATOES USED FOR FOOD

Fresh and Processed



* PRELIMINARY.

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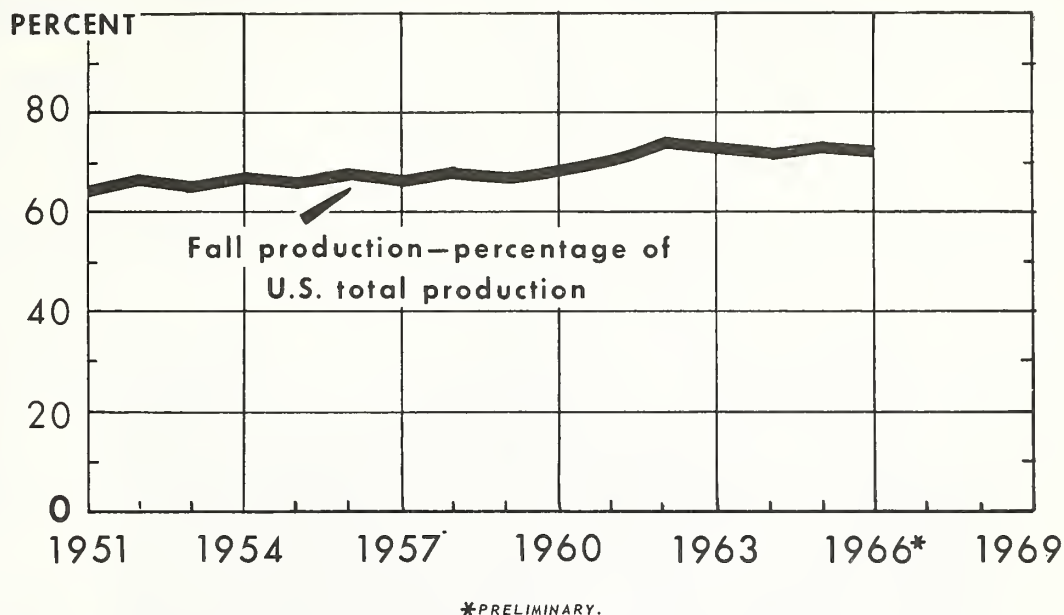
The total use of potatoes for food has been trending upward. This has been due to sharp gains in the tonnage of potatoes that have been frozen and dehydrated. On a per capita basis, use of fresh potatoes for food has been declining gradually. As spring producing areas are dependent largely on demand and sales in fresh table outlets, the spring producing States are sharing in a relatively static market. In 1967 and in future years, spring potato growers are likely to experience increasing competitive pressures because of their dependence on the relatively static table market.

In the November crop report, total production of 1966 crop fall potatoes was indicated to be a record 219.4 million hundredweight. The 1966 fall tonnage is 3 percent above 1965 and 15 percent above the 1960-64 average. Freezing temperature in mid-October damaged the crop in Idaho, the leading potato State. As a result, storage losses in the potatoes harvested from the freeze-damaged acreage are expected to be above normal.

Most of the fall crop is stored and marketed in the subsequent winter and spring months. Fall storage supplies to be carried over for marketing in the spring of 1967 are expected to be large. Ordinarily, a heavy carry-over of storage potatoes depresses price levels for new spring potatoes. The weight of the potential carryover of competitive fresh and processed supplies was considered in preparing the guides for 1967 spring potatoes.

FALL POTATOES

Major Source of U.S. Crop



U. S. DEPARTMENT OF AGRICULTURE

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Seed used from the 1965 crop amounted to 23.5 million hundredweight, 8 percent above 1964. The gain in seed use was due to a 5 percent increase in planted acreage in 1966 and to an increase in the amount of seed used per acre. The total seed requirements from the 1967 crop to plant 1968 acreages will be close to 22 million hundredweight, about the average for the past several years.

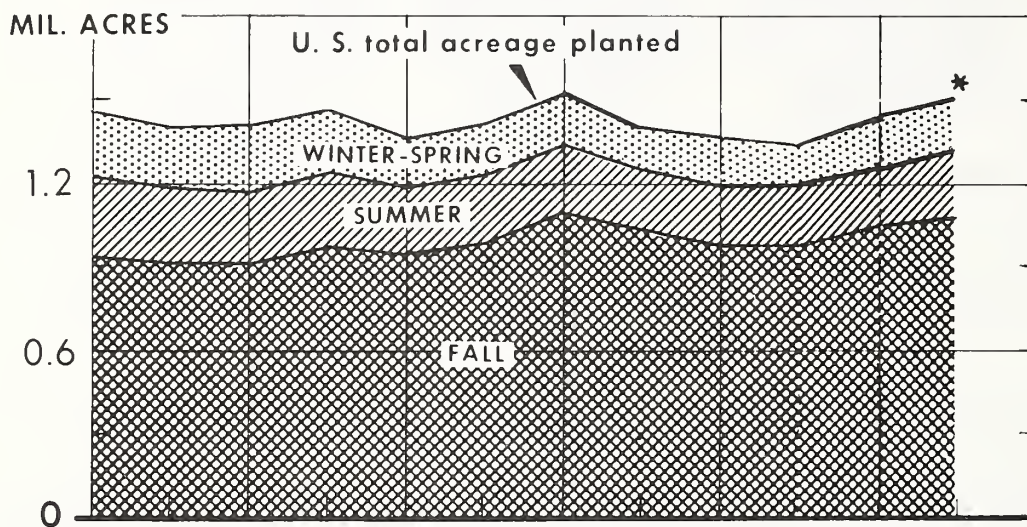
Largely as a result of the record flow into food outlets, the total disposition of 1965 crop potatoes in residual outlets (starch, flour, feed, waste, shrinkage and loss) was relatively low, equivalent to 11 percent of the total production. This compares with the 1959-63 average crop residual of almost 15 percent. The residual quantity from the 1966 record production is expected to be high, or 14 percent of the total production. The residual quantity in the 1967 marketing guide is equivalent to almost 10 percent of the total guide.

Loss of potatoes through "cullage" is declining. This is due to the near maximum use of raw product that can be planned in modern processing plants. Improvements in storage warehouses, including temperature and humidity controls, results in less over-winter shrinkage in potatoes. The widespread use of sprout inhibitors also helps to limit losses. Thus, the residual percentage can be expected to trend downward slightly in future crop years.

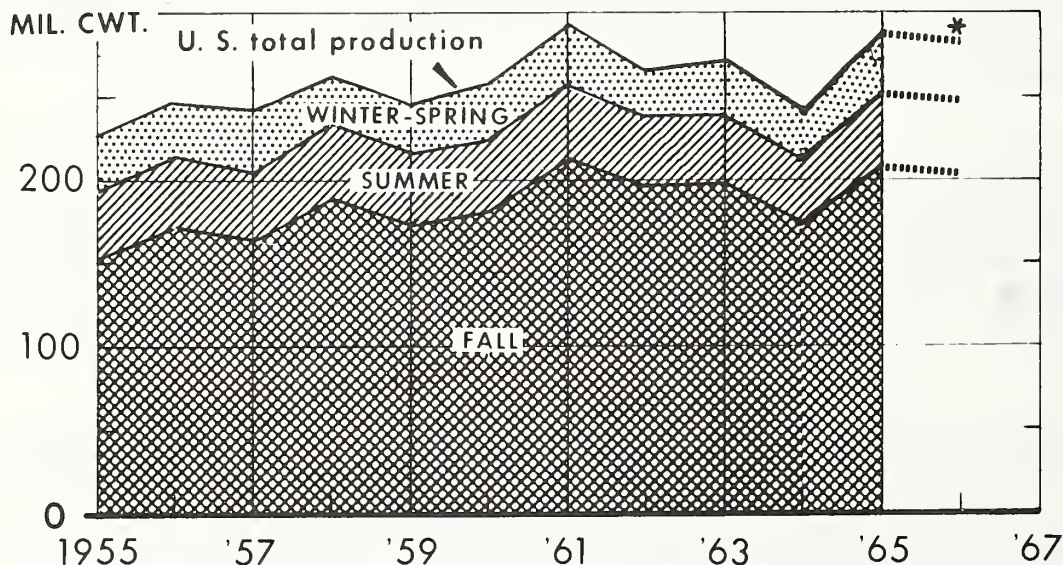
The marketing guide of 279 million hundredweight was allocated to the seasonal crops on the basis of the 1962-65 average production as a percentage of the U. S. total crop. The marketing guide target for the 1967 spring crop is 28.3 million hundredweight. Yield per acre in 1967 is expected to be equal to the 1962-65 average. Acreage guides for all States were adjusted where applicable so that the acreage guide was at least 85 percent of last year's acreage but no more than 100 percent of that acreage.

POTATOES

Seasonal Acreage



Seasonal Production



LATE SUMMER CROP FOR IDAHO AND OREGON RECLASSIFIED AS FALL.

* PRELIMINARY.

A tenth of the U. S. potato crop originates in the spring producing States. In 1966, California accounted for 54 percent of the total spring production, Florida was second with 15 percent, and Arizona was third with 10 percent.

The crop is sold in fresh food outlets and for potato chips. In several spring producing States, particularly Florida and Arizona, there has been an upward trend in sales to chippers.

The spring marketing season ordinarily extends from early April through early July. Shipments from Florida peak in May, and the peak movement from California, Alabama, and North Carolina is in June.

The total acreage planted to spring potatoes in 1966 was 168,000 acres. This was 6 percent more than in 1965 and 35 percent more than in 1964 when a small acreage was recorded. In 1966, acreage in California was reduced 11 percent. But most other States increased their plantings. The combined acreage in early and late spring areas in Texas was increased 27 percent. Growers in Arizona reported a 19 percent gain in acreage. The increase in Alabama was 10 percent, North Carolina, 9 percent, and Florida, 6 percent.

In 1966, the spring crop yield per acre was 197 hundredweight, or 3 percent above 1965, and slightly above the 1960-64 average. The spring area in California obtains one of the highest potato yields in the Nation. Yield in 1966 was 330 hundredweight, 15 more than in 1965. After trending upward during the 1950's and early 1960's, spring crop yields have tended to stabilize.

A severe freeze in late January damaged some fields in the Hastings area in Florida. Heavy rains in February also caused some damage to seed pieces. Heavy spring rains also checked crop potential in Texas and Louisiana, and rains in May in Alabama resulted in harvest delays. Low temperatures held back the crop in California, and in Arizona.

Total spring production in 1966 was 32.0 million hundredweight. This was a gain of 7 percent compared with the 1965 crop of 30.0 million, and 14 percent above the 1960-64 average of 28.2 million. In Arizona, production was a State record, and 36 percent above 1965. Large crops were reported also in California, Florida, and Alabama. On a per capita basis, spring production in 1966 was 16.6 pounds. This compared with 15.7 pounds in 1965, and the 1960-64 average of 15.4 pounds.

The large spring crop in 1966 coincided with heavy stocks of fresh storage potatoes and frozen French fried potatoes. Also, inventories of dehydrated potatoes were indicated to be at peak levels. Both fresh and processed supplies pressured outlets. Bunching in spring harvest, particularly in Arizona and California, also adversely affected the potato marketing pattern. And farmers prices in the May-July quarter of 1966 were the lowest since 1963.

In 1967, spring crop growers can expect total carryover supplies of fresh and processed potatoes to be slightly to moderately more than in 1966.

POTATOES, TOTAL SPRING CROP: Selected data for 1951-66 crops

Crop year	: Acreage : : harvested :	: Yield : : per acre :	: Production : : Million cwt. :	Disposition		Price <u>1/</u> : Dollars :	Value : of sales :
				Used on : : farms :	Sold : : Million cwt. :		
	1,000 acres	Cwt.	Million cwt.	Million cwt.	Million cwt.	Dollars	\$ Million
1951	191.1	121	23.1	3.3	19.8	2.39	47.2
1952	199.2	128	25.5	2.8	22.7	3.98	90.3
1953	235.7	134	31.5	5.1	26.4	1.65	43.5
1954	188.8	137	25.9	2.8	23.1	2.62	60.6
1955	190.4	146	27.8	2.5	25.3	2.39	60.3
1956	176.6	146	25.9	2.0	23.9	4.11	98.2
1957	185.5	170	31.5	2.2	29.3	1.51	44.2
1958	184.4	154	28.4	2.2	26.2	1.98	52.0
1959	144.9	178	25.8	1.7	24.1	3.22	77.7
1960	161.7	185	29.9	1.4	28.5	2.66	75.7
1961	159.2	203	32.4	1.5	30.9	1.77	54.8
1962	133.1	189	25.1	1.3	23.8	2.48	59.0
1963	141.8	204	29.0	2.0	27.0	1.91	51.7
1964	123.2	198	24.4	1.0	23.4	3.68	86.3
1965	157.0	191	30.0	1.0	29.1	4.74	137.8
1966*	162.7	197	32.0	N.A.	N.A.	N.A.	N.A.

N.A. - not available.

* Preliminary.

1/ Average price per cwt. received by farmers.

Potatoes, Spring Crop: Selected data for selected states, 1962-66 crops

State and year	: Planted : acreage :	: Yield per : harvested : acre	: Produc- : tion :	: Quantity : sold :	: Average : price : received : by farmers	: Value : of : sales
	<u>Acres</u>	<u>Cwt.</u>	<u>1,000 cwt.</u>	<u>1,000 cwt.</u>	<u>\$ per cwt.</u>	<u>\$1,000</u>
<u>Alabama:</u>						
1962	19,400	128	2,482	2,318	2.93	6,795
1963	21,300	118	2,505	2,030	2.05	4,171
1964	20,700	111	2,255	2,121	4.10	8,689
1965	21,600	109	2,310	2,176	4.85	10,544
1966	23,700	135	2,995	N.A.	N.A.	N.A.
<u>Arizona:</u>						
1962	8,500	240	2,040	1,973	2.86	5,643
1963	10,200	255	2,448	2,064	2.24	4,623
1964	8,200	240	1,968	1,913	3.87	7,403
1965	11,000	210	2,310	2,257	4.18	9,434
1966	13,100	240	3,144	N.A.	N.A.	N.A.
<u>California:</u>						
1962	43,300	320	13,856	13,463	2.05	27,599
1963	46,200	330	15,246	14,860	1.64	24,370
1964	36,800	365	13,432	13,293	3.52	46,791
1965	54,400	315	17,136	16,960	4.66	79,034
1966	52,000	330	17,160	N.A.	N.A.	N.A.
<u>Florida:</u>						
1962	23,300	142	3,301	3,276	3.19	10,453
1963	26,800	186	4,982	4,932	2.39	11,767
1964	25,600	158	3,996	3,955	3.50	13,856
1965	31,700	148	4,632	4,610	4.45	20,525
1966	33,500	143	4,741	N.A.	N.A.	N.A.
<u>North Carolina:</u>						
1962	15,400	123	1,848	1,620	2.84	4,603
1963	14,200	155	2,133	1,913	1.72	3,292
1964	12,600	114	1,434	1,250	4.66	5,831
1965	14,000	135	1,896	1,713	6.13	10,497
1966	15,200	123	1,864	N.A.	N.A.	N.A.
<u>Texas:</u>						
1962	7,000	91	634	529	3.65	1,930
1963	7,600	87	645	541	3.37	1,825
1964	6,900	81	560	462	3.79	1,750
1965	11,300	80	833	723	5.97	4,317
1966	14,300	88	980	N.A.	N.A.	N.A.

N.A. - Not available.

Note: 1966 data are preliminary.

Potatoes: Average f.o.b. prices at California, Florida, Alabama, and North Carolina shipping points, selected weeks, 1965 and 1966

Week ended	California, Kern Co. 1/				Florida, Hastings 2/				Alabama, Baldwin 3/				North Carolina, 4/			
	1965	:	1966	:	1965	:	1966	:	1965	:	1966	:	1965	:	1966	:
	\$ per cwt.				\$ per cwt.				\$ per cwt.				\$ per cwt.			
April 16	----		----		5.00		----		----		----		----		----	
April 23	----		----		5.78		5.05*		----		----		----		----	
April 30	5.25		----		5.70		4.70		----		----		----		----	
May 7	5.50		3.25		5.50		4.70		----		----		----		----	
May 14	6.62		2.72		6.30		4.40		----		----		----		----	
May 21	5.78		2.56		7.00		3.76		5.78		----		----		----	
May 28	4.88		2.28		6.88		3.20		4.60		2.85		----		----	
June 4	5.31		1.95		----		3.20		5.91		2.25		----		----	
June 11	5.98		1.86		----		----		6.84		2.25		----		----	
June 18	5.75		1.64		----		----		----		2.00		----		2.52	
June 25	6.12		1.62		----		----		----		1.91		6.50		2.25	
July 2	7.18		1.66		----		----		7.55		----		6.72		1.82	
July 9	7.38		1.66		----		----		7.42		2.21		6.75		1.64	
July 16	7.06		1.84		----		----		7.00		2.12		----		1.50	
July 23	----		----		----		----		5.33		2.12		----		----	
July 30	----		----		----		----		----		2.39		----		----	

* Sales to processors, 85% or better U. S. No. 1 quality.

Note: Prices are for U. S. No. 1, Size A or better, and are weekly averages of the daily range.

1/ Long white (White Rose) variety.

2/ Round white (Sebago) variety.

3/ Round red varieties. Prices listed for July are for the Sand Mountain area.

4/ Round white (Pungo) variety.

Spring Crop Potatoes: Unloads in selected cities of shipments originating in Alabama, Arizona, North Carolina and Texas, selected months,* 1965 and 1966

City	: Unloads from : : Alabama : : 1965 : 1966 : Carlott	City	: Unloads from : : Arizona : : 1965 : 1966 : Carlott	City	: Unloads from : : North Carolina : : 1965 : 1966 : Carlott	City	: Unloads from : : Texas : : 1965 : 1966 : Carlott
	equivalents		equivalents		equivalents		equivalents
Atlanta	381	Chicago	138	Atlanta	149	Chicago	230
Birmingham	225	Cleveland	103	Baltimore	89	Dallas	500
Chicago	324	Dallas	273	Cincinnati	42	Denver	56
Cincinnati	275	Denver	629	Cleveland	28	Ft. Worth	60
Indianapolis	150	Detroit	178	Columbia	124	Houston	55
Louisville	209	Houston	32	Detroit	26	Kansas City, Mo.	72
Memphis	139	Kansas City, Mo.	191	New York 2/	92	Memphis	81
Nashville	81	Minneapolis 1/	140	Philadelphia	118	New Orleans	86
New Orleans	68	San Antonio	68	Pittsburgh	59	St. Louis	104
St. Louis	212	St. Louis	75	Washington	106	San Antonio	151
Canada:		Canada:		Canada:		Canada:	
Toronto	6	Montreal	3	Montreal	29	Toronto	3
Winnipeg	2	Toronto	1	Ottawa	7		
		Winnipeg	18	Toronto	18		
Subtotal	2,072	Subtotal	1,845	Subtotal	887	Subtotal	1,395
Other Cities	358	Other Cities	308	Other Cities	74	Other Cities	309
Total	2,430	Total	2,153	Total	961	Total	1,704

* Four months, April - July.

1/ Includes St. Paul.

2/ Includes Newark, New Jersey.

Spring Crop Potatoes: Unloads in selected cities of shipments originating in California and Florida, selected months,* 1965 and 1966

City	: Unloads from	: California	: City	: Unloads from	: Florida
	: 1965	: 1966		: 1965	: 1966
	<u>Carlot equivalents</u>			<u>Carlot equivalents</u>	
Chicago	2,074	1,593	Atlanta	405	398
Cincinnati	240	140	Baltimore	138	166
Cleveland	542	505	Boston	41	22
Dallas	263	156	Buffalo	119	97
Denver	305	305	Chicago	431	422
Detroit	1,018	987	Cincinnati	142	157
Houston	519	593	Cleveland	263	276
Indianapolis	282	160	Columbia, S. C.	153	93
Kansas City, Mo.	255	208	Detroit	470	434
Los Angeles	4,563	4,261	Kansas City, Mo.	136	59
Memphis	142	49	Louisville	143	200
Milwaukee	345	323	Memphis	178	99
Minneapolis 1/	848	741	Milwaukee	92	63
New York 2/	1,552	1,475	Minneapolis 1/	80	55
Philadelphia	605	581	New York 2/	206	137
Pittsburgh	402	355	Philadelphia	288	360
Portland	744	727	Pittsburgh	148	128
St. Louis	348	184	Providence	60	37
San Francisco 3/	1,728	1,312	St. Louis	61	59
Seattle 4/	585	663	Washington, D. C.	236	122
Canada:			Canada:		
Montreal	23	194	Montreal	16	3
Ottawa	13	48	Ottawa	--	3
Toronto	290	466	Toronto	12	30
Vancouver	417	295	Vancouver	--	4
Winnipeg	120	162			
Subtotal	18,223	16,483	Subtotal	3,818	3,424
Other Cities	3,130	2,789	Other Cities	563	366
Total	21,353	19,272	Total	4,380	3,790

* Four months, April - July.

1/ Includes St. Paul.

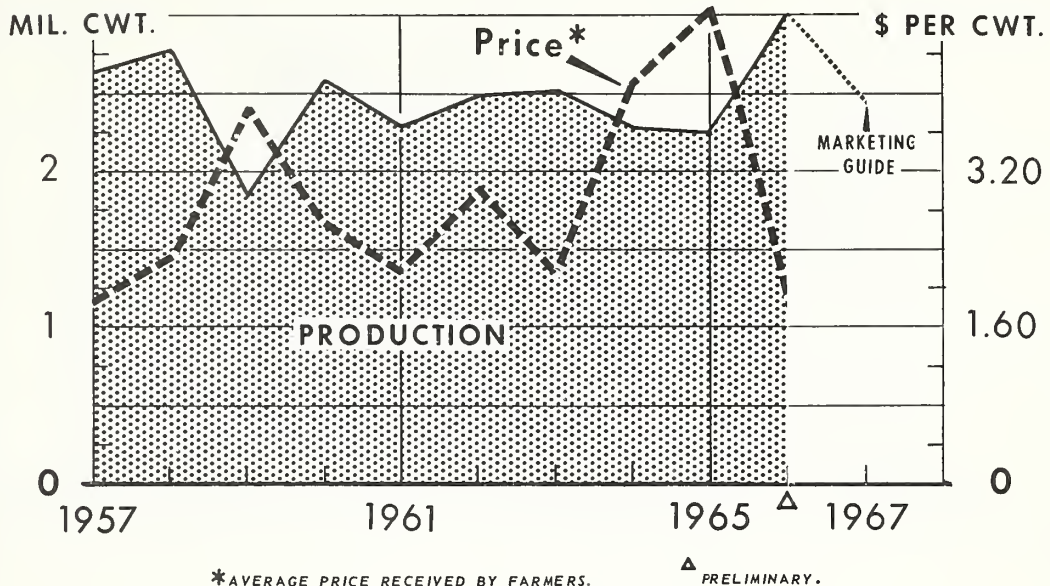
2/ Includes Newark, New Jersey.

3/ Includes Oakland.

4/ Includes Tacoma.

ALABAMA SPRING POTATOES

Production and Price



U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 104-66 (10) CONSUMER AND MARKETING SERVICE

Alabama: Due to a high per acre yield in the Baldwin area, Alabama produced a large potato crop in 1966. Production was 30 percent above 1965. The Baldwin harvest started in mid-May and peaked the second week in June. The northeastern Alabama harvest, which follows that in the Baldwin area, started in early summer and continued through late summer. Total shipments in 1966 were substantially higher than a year earlier.

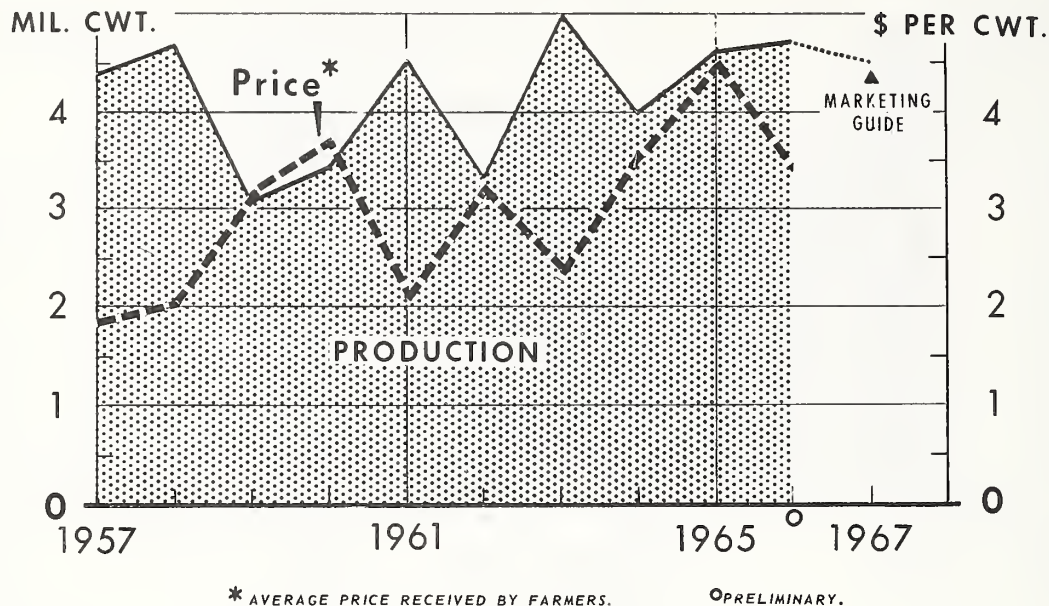
Farmers' prices in Alabama, which were moderate during May, declined to a low level in June and July. The 1966 average price was indicated to be \$1.72 per hundredweight. This compared with the extremely high average of \$4.85 in 1965.

The market potential for Alabama potatoes for chipping continues favorable. But requirements in fresh market outlets are limited by supplies moving from producing areas in nearby states and from the West.

The 1967 guide recommends a reduction in plantings in 1967. With average yield on the guide acreage, production would be 2.4 million hundredweight, or slightly larger than the 1961-65 average crop.

FLORIDA SPRING POTATOES

Production and Price



U. S. DEPARTMENT OF AGRICULTURE

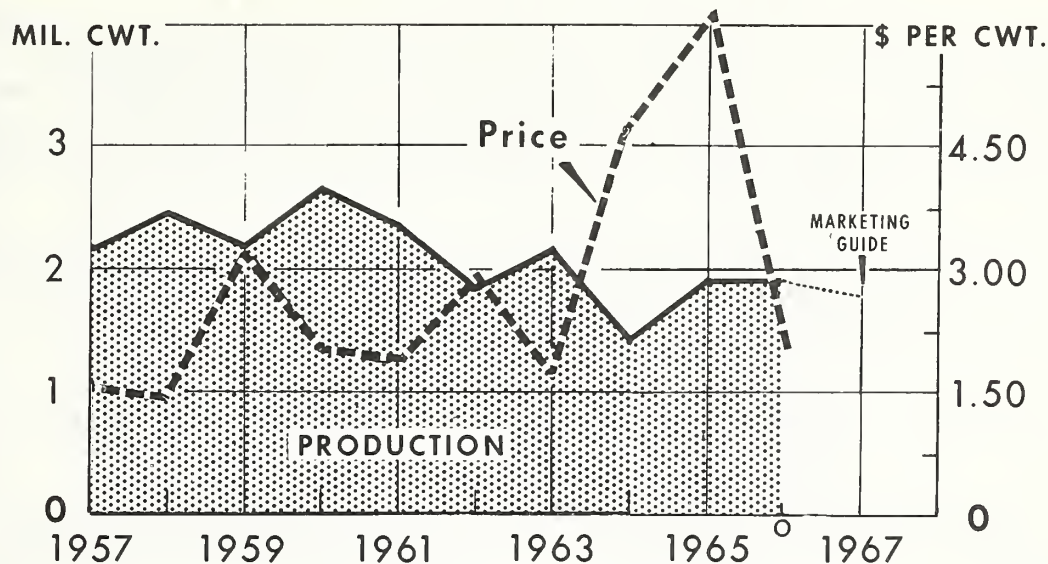
NEG. C&MS 106-66(10) CONSUMER AND MARKETING SERVICE

Florida: Total spring production in Florida in 1966 was 4.7 million hundredweight, or 2 percent above 1965. The Florida harvest was active by mid-April and shipments peaked early in May. Movement continued until late June, with end of harvest later than normal. Total spring shipments from Florida in 1966 were moderately below 1965.

Demand for potatoes for chipping was indicated to be weaker than a year earlier. Spring potato prices showed a sharp seasonal decline. The average price was approximately \$3.38 per hundredweight compared with \$4.66 in 1965.

The market potential for Florida potatoes is favorable. This is due partly to the demand for potatoes by chippers and to the wide reception in fresh market outlets. It appears that a spring crop of 4.5 million hundredweight is adequate for all outlets. Production much above this level may result in a sharp pressure on prices.

NORTH CAROLINA SPRING POTATOES; PRODUCTION AND PRICE*



*SEASON AVERAGE PRICE RECEIVED BY FARMERS. ○ PRELIMINARY.

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NEG. C & M 5 102-66(10) CONSUMER AND MARKETING SERVICE

North Carolina: Spring potato production in North Carolina in 1966 was 1.9 million hundredweight, or slightly less than the output in 1965. A light volume had moved from North Carolina by mid-June. Peak volume was attained by late June with movement active also the first half of July. There was a severe harvest overlap between the North Carolina spring area and the Eastern Shore of Virginia summer crop. The production on the Eastern Shore was up 43 percent compared with 1965. The average farm price in North Carolina in 1966 approximated \$2.00 per hundredweight. This compared with the record of \$6.15 in 1965.

The principal limitation in the market potential for North Carolina spring potatoes is that this producing area cannot assure larger wholesale buyers of a substantial volume over a relatively long period. For example, rains often interrupt the flow of supplies from this area. With erratic harvest timing, day-to-day price changes can be substantial. And buyers may hesitate to make long-range commitments to purchase. These limitations also apply to several other spring producing areas.

The 1967 guide for North Carolina recommends an output 5 percent less than in 1966.

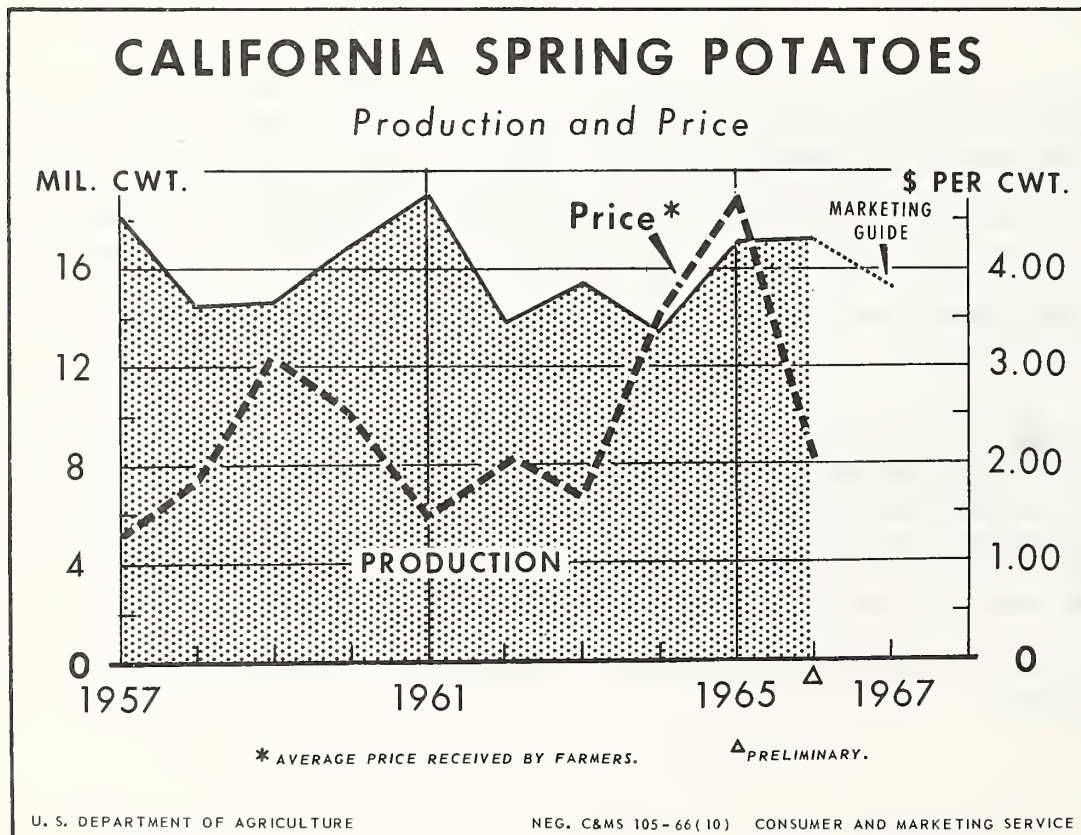
California: In 1966, a slight reduction in total plantings in California was offset by a gain in per-acre yield. Total production was 17.2 million hundredweight, unchanged from the total a year earlier, but 9 percent above the 1960-64 average.

The California harvest started late, and few sales were recorded during April, 1966. Shipments trended upward sharply during May and through the week ending June 11. At that time volume began to trend downward, but marketings continued active during July. Total spring shipments in 1966 were approximately 31,400 carlot equivalents or 16 percent below the 37,500 reported in the like period a year earlier.

On the basis of preliminary reports for the 1966 crop in California, 70 percent of the sales consisted of the long white or White Rose variety (destined for table markets), 8 percent were round reds, 18 percent were Kennebecs (destined to chippers) and 4 percent were Norgold Russets.

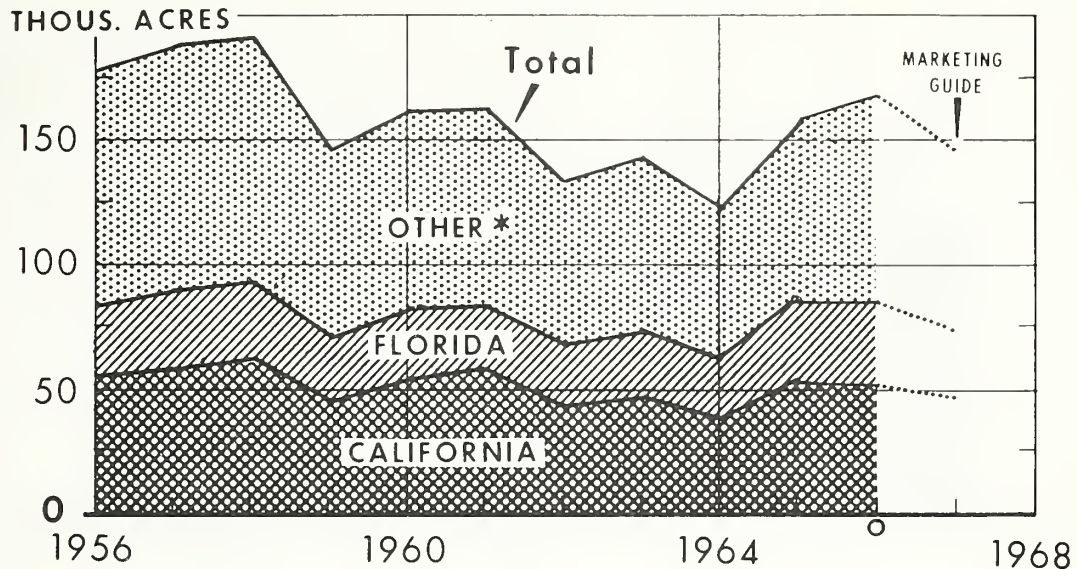
The 1966 average price received in California was indicated at \$2.05 per hundredweight compared with \$4.66 in 1965.

As the outlet for California spring potatoes is largely in fresh table markets where demand has been static, only moderate-size crops should be contemplated in this producing area. The market potential for California potatoes also is adversely affected by a late start in harvest. In addition, periods of extremely high temperatures may slow rate of harvest. With a relatively short marketing season, harvest bunching may cause critical marketing problems.



SPRING POTATO ACREAGE

31% of Total in California



* OTHER INCLUDES ALABAMA, ARIZONA, ARKANSAS, GEORGIA, LOUISIANA, MISSISSIPPI, NORTH CAROLINA, OKLAHOMA, SOUTH CAROLINA, AND TEXAS.

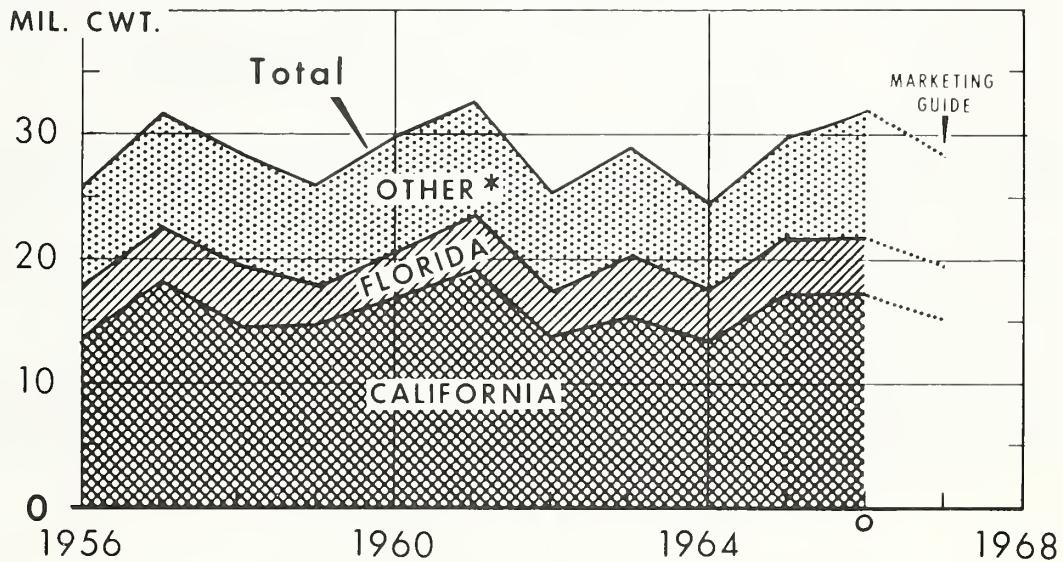
○ PRELIMINARY.

U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 101-66 101 CONSUMER AND MARKETING SERVICE

SPRING POTATO PRODUCTION

54% of Total in California



* OTHER INCLUDES ALABAMA, ARIZONA, ARKANSAS, GEORGIA, LOUISIANA, MISSISSIPPI, NORTH CAROLINA, OKLAHOMA, SOUTH CAROLINA, AND TEXAS.

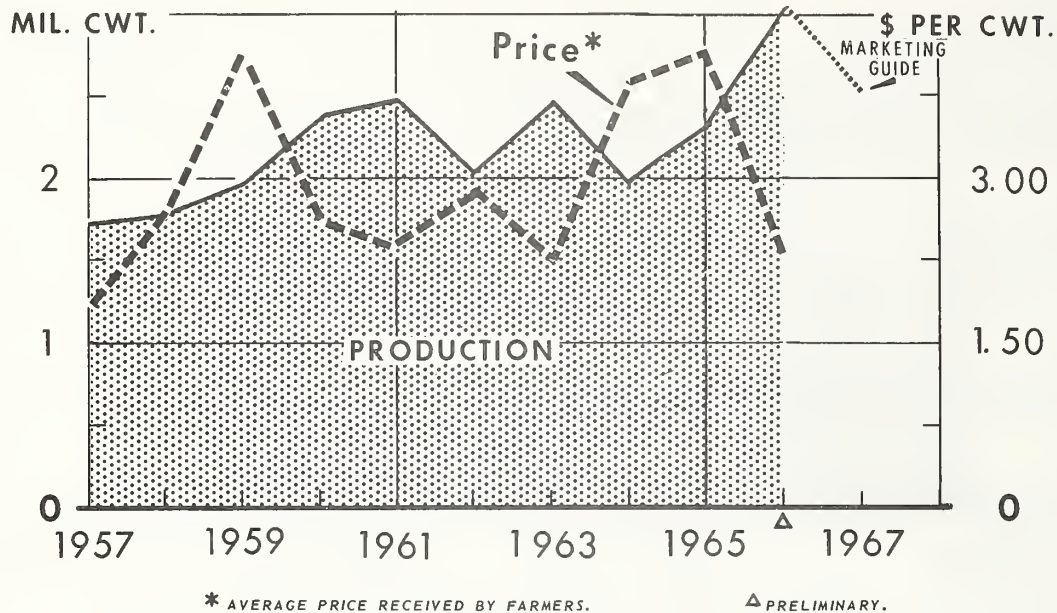
○ PRELIMINARY.

U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 100-66 10 CONSUMER AND MARKETING SERVICE

ARIZONA SPRING POTATOES

Production and Price



U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 99-66(10)

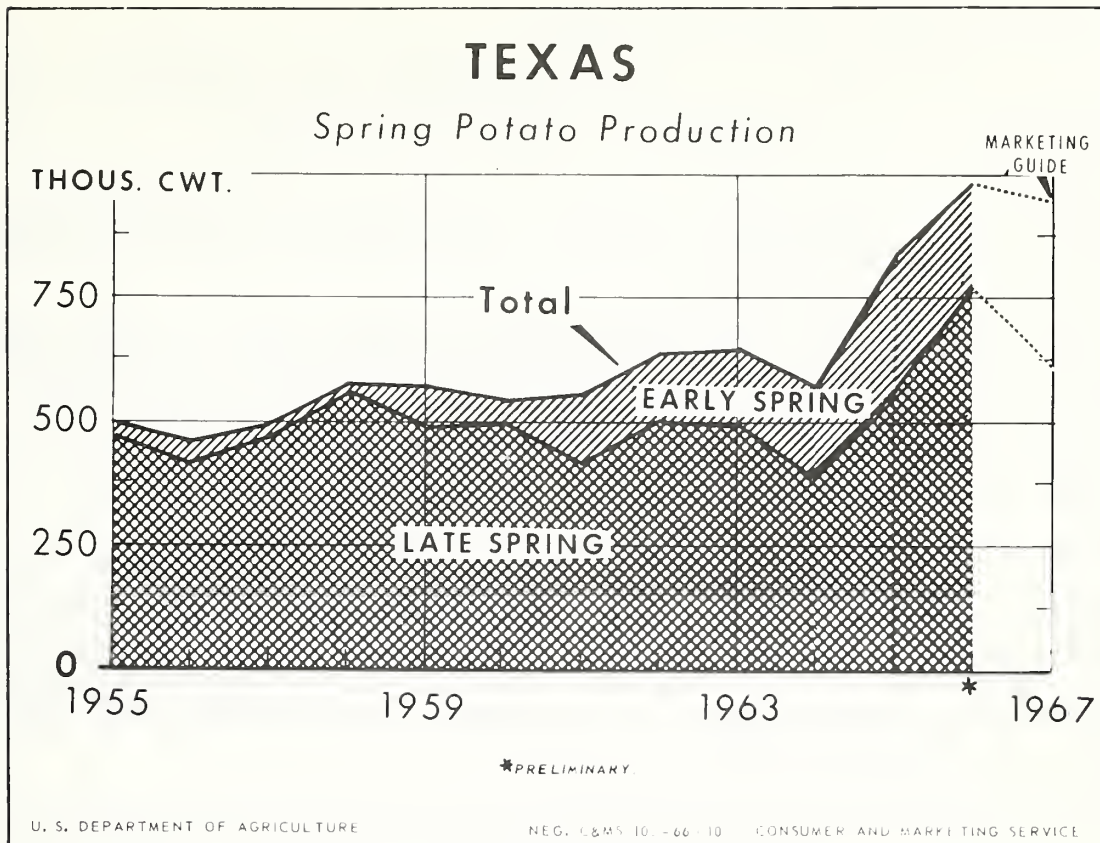
CONSUMER AND MARKETING SERVICE

Arizona: The production of 3.1 million hundredweight in 1966 was a State record and was 36 percent above the output a year earlier. Digging of Kennebecs for sale to chippers began early in May. Harvest for both processing and fresh market use was active by June 1. Chippers used a substantial part of the crop. In spite of the larger production, the total volume shipped to fresh outlets in 1966 was down moderately compared with 1965.

Prices received for 1966 marketings in Arizona showed a more moderate seasonal decline compared with some other spring areas. The average price was indicated at \$2.27 per hundredweight compared with \$4.18 a year earlier.

The 1966 production was large relative to trade needs. Additional increments in acreage and resulting output, such as occurred last season, could bring economic distress.

The 1967 guide for Arizona recommends a reduction of 15 percent in potato plantings. With average yield on the guide acreage, production in 1967 would be moderately above the 1961-65 average.



Texas

The early spring crop in the Rio Grande Valley was damaged by torrential rains. Total output of 210,000 hundredweight was substantially less than a year earlier even though that crop was damaged by freezing temperatures.

First shipments in 1966 were reported April 13 in the Raymondville area. But total volume was light.

Total plantings for late spring harvest in 1966 were increased sharply. Soil moisture was plentiful and per-acre yield was above average. Total late spring production was 36 percent above 1965. Harvest in the Pearsall area started in late April, and in the San Antonio area in mid-May. Harvest was complete by July 1. Total rail shipments in 1966 were about double the 1965 total. Prices were off sharply compared with 1965.

In 1967, the guide recommends reductions in both early and late spring plantings. However, with average yields on the guide acreage, the probable spring production in Texas would be well above average, and adequate to cover needs in fresh market outlets plus requirements of local chippers.

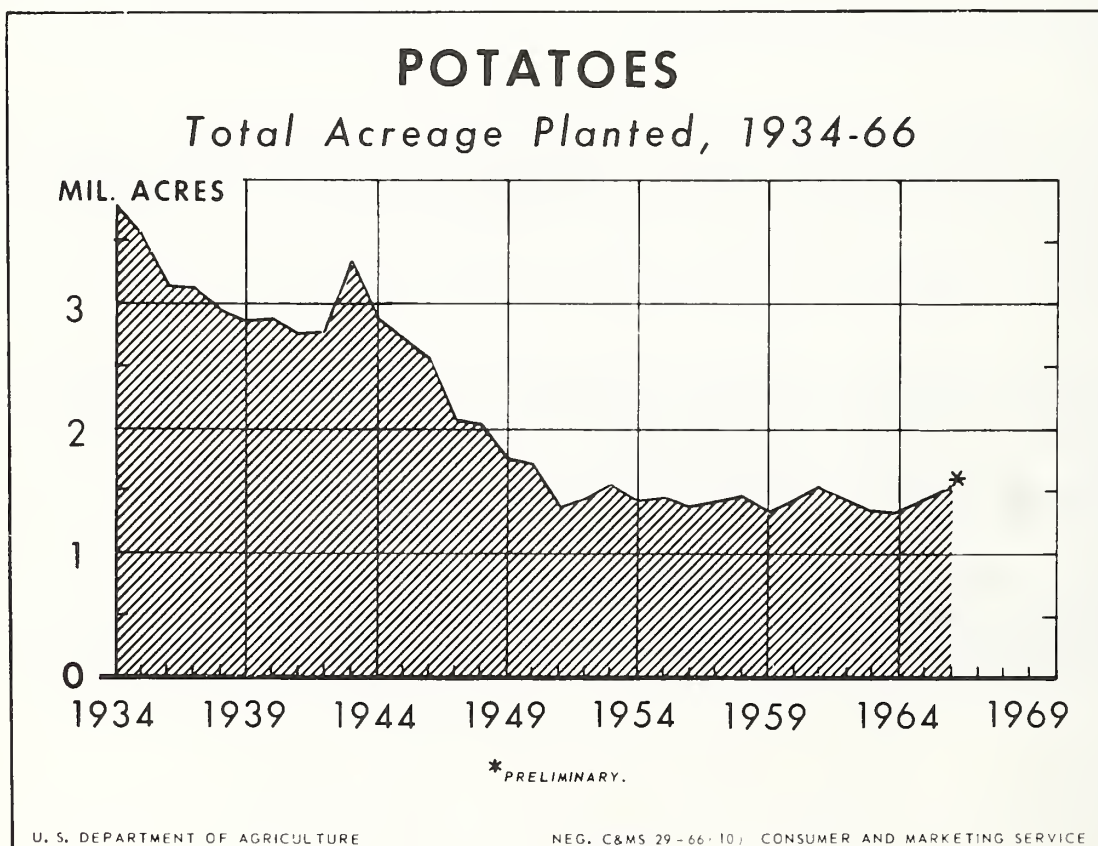
VI. POTATO TRENDS IN THE UNITED STATES

Some of the levels and trends in the potato industry considered in the preparation of the potato guides are described in the commentary and charts that follow.

The total acreage planted to potatoes has shown generally moderate year-to-year changes since the early 1950's. Total plantings in 1966 are indicated at 5 percent above 1965.

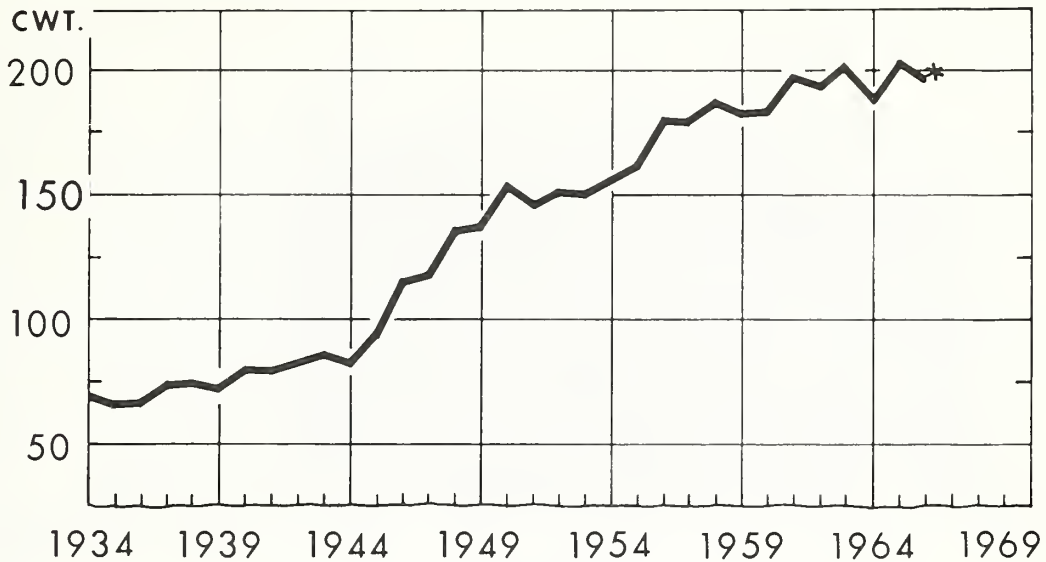
Since 1961, potato yield per acre has fluctuated within a narrow range. On large commercial farms, potato yields may be double or triple the U. S. average. With the decline in the number of less productive potato farms expected to continue, the long-term yield trend will be upward. New or improved varieties may help this trend. Also, potato farmers will continue to apply improved production techniques to increase their crop.

Potato production and prices ordinarily show an inverse relationship. High prices have resulted when crops were small. And with large crops, such as in 1961, prices were down sharply. An objective of the potato acreage marketing guides is to encourage production planning that will modify abrupt changes in the market. In 1967, USDA recommends that growers produce a crop of 279 million hundredweight, or 7 percent less than the 300-million hundredweight crop indicated in 1966.



POTATOES

Yield per Acre, 1934-66



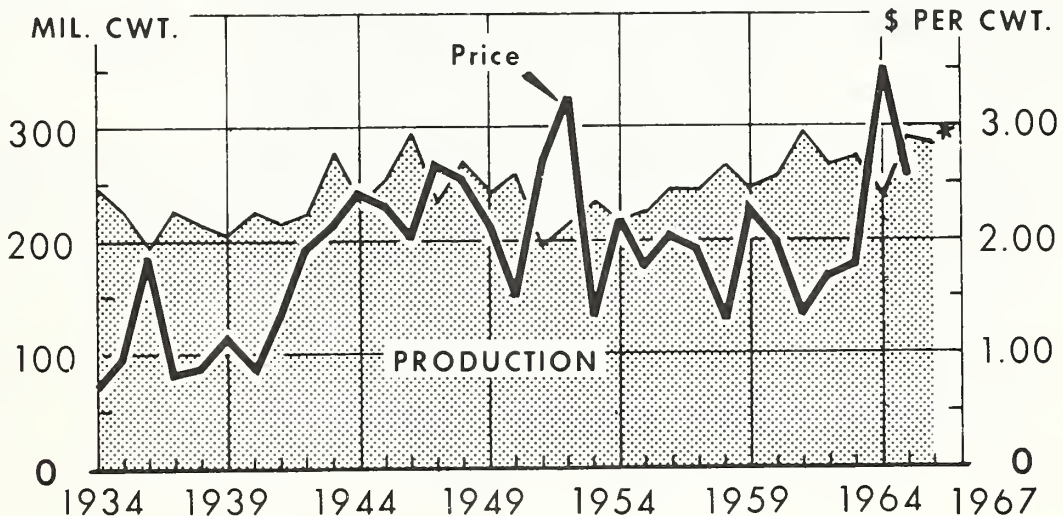
*PRELIMINARY.

U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 33-66-10 CONSUMER AND MARKETING SERVICE

POTATOES

U. S. Production and Average Price Received by Farmers, 1934-66



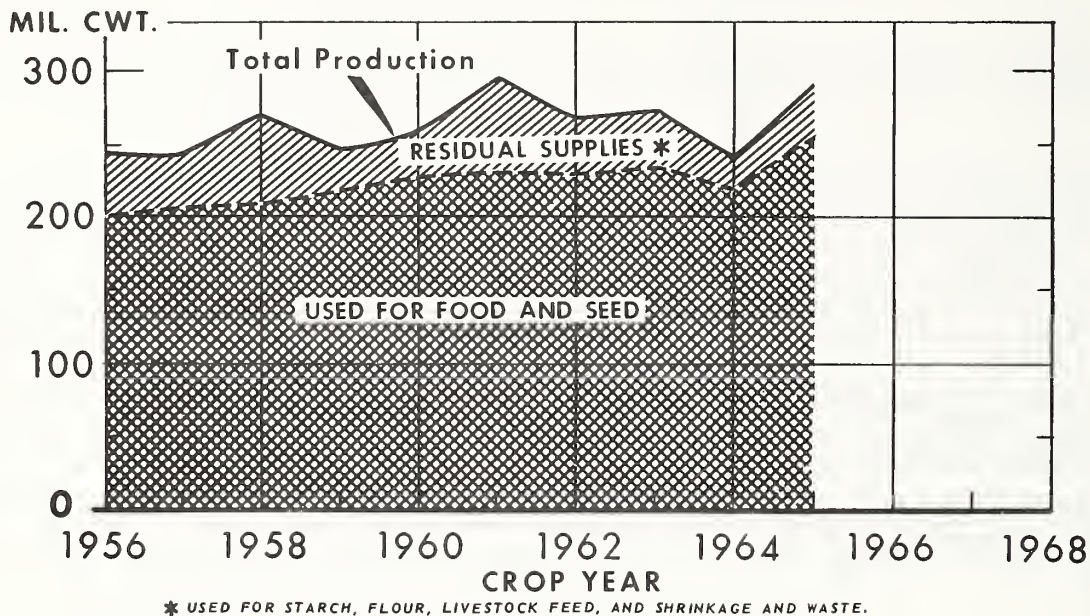
*PRELIMINARY.

U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 30-66-10 CONSUMER AND MARKETING SERVICE

POTATOES

Production and Utilization



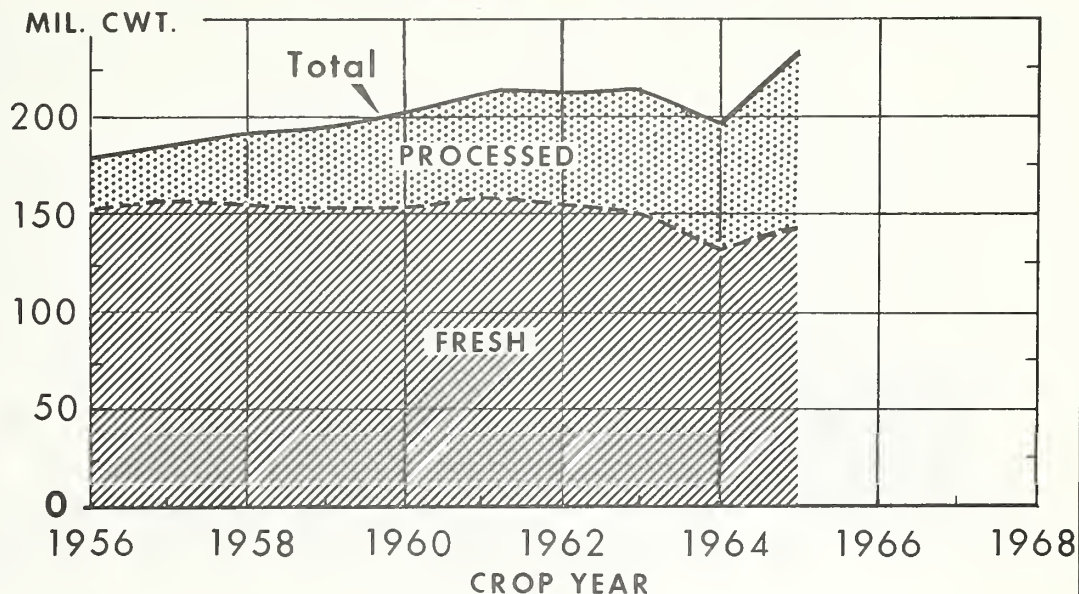
U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 173-66 (5) CONSUMER AND MARKETING SERVICE

Food and seed markets are the primary outlets for potatoes. About 89 percent of the 1965 potato crop was used in primary outlets. And 11 percent was accounted for in residual outlets. During the past decade, there has been a slight uptrend in the percentage of the crop used in primary outlets. This has been due partly to the growing use of potatoes by food processors. Less desirable grades and sizes, formerly withheld from fresh table outlets and sometimes wasted, are now assimilated satisfactorily in processed products.

In 1956, processed items accounted for only 14 percent of total food use. Fresh potatoes provided 86 percent of total food needs. By 1965, the processed share had increased to 39 percent, and fresh use was down to 61 percent. Fresh and processed use may show a "50/50" relationship by 1970.

POTATOES USED FOR FOOD, FRESH AND PROCESSED

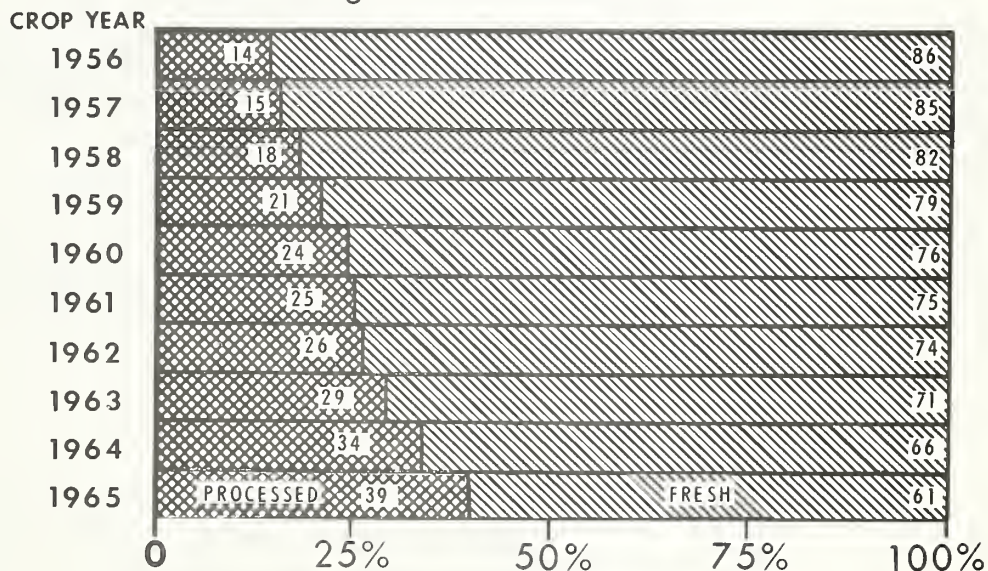


U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 172-66 (5) CONSUMER AND MARKETING SERVICE

POTATO FOOD USE

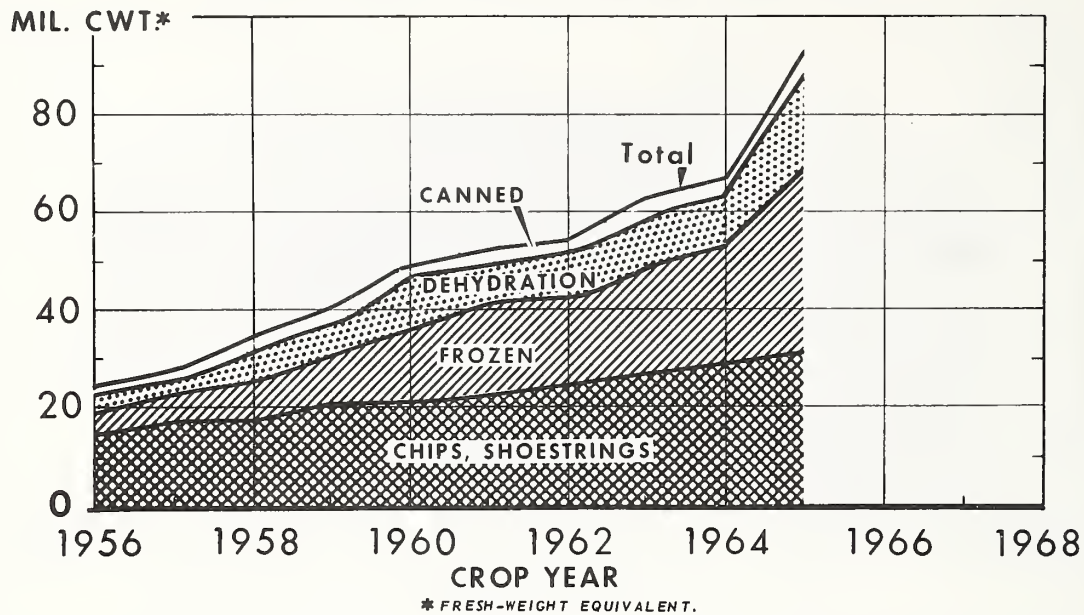
Percentage Fresh-Processed



U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 177-66 (5) CONSUMER AND MARKETING SERVICE

POTATOES USED FOR PROCESSED FOOD ITEMS



U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 175-66 (5) CONSUMER AND MARKETING SERVICE

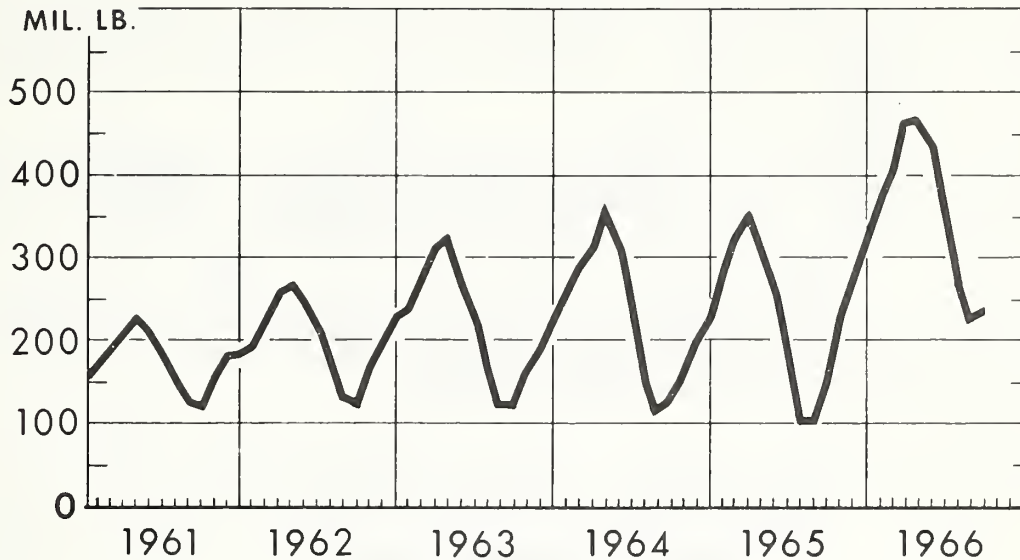
Market demand for frozen and dehydrated potatoes and chips and shoestrings has increased sharply, particularly since 1959. Potential market growth for these items is expected to continue favorable.

Stocks of frozen French fried ordinarily peak in the spring. There is a seasonal decline in manufacture of frozen products during the summer. As a result, the spring inventory must be large enough to furnish needed supplies for summer and early fall marketing.

Per capita consumption of potatoes was indicated at 112 pounds in 1963, 110 pounds in 1964, and 108 pounds in 1965. The slight decline in 1965 was due to tight supplies and high prices during the first half of 1965. At that time, a major portion of the market was supplied from the 1964 fall crop in storage and the 1964 fall storage supply was 8 percent below average.

FROZEN FRENCH FRIED POTATOES

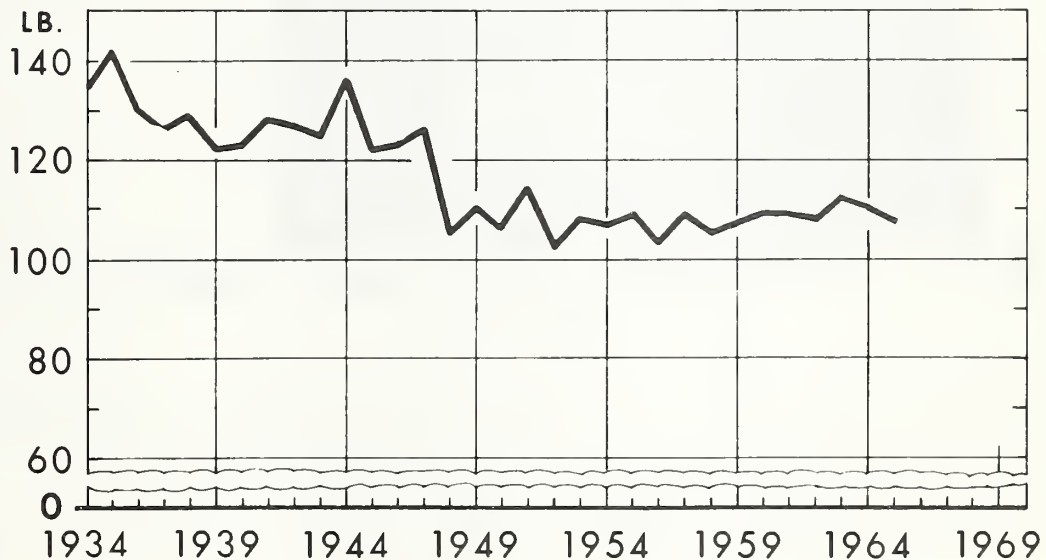
End-of-month Stocks in Cold Storage



U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 194-66 (9) CONSUMER AND MARKETING SERVICE

POTATOES PER CAPITA CONSUMPTION*



*

CIVILIAN CONSUMPTION.

INCLUDES FRESH WEIGHT EQUIVALENT OF PROCESSED POTATOES.

U. S. DEPARTMENT OF AGRICULTURE

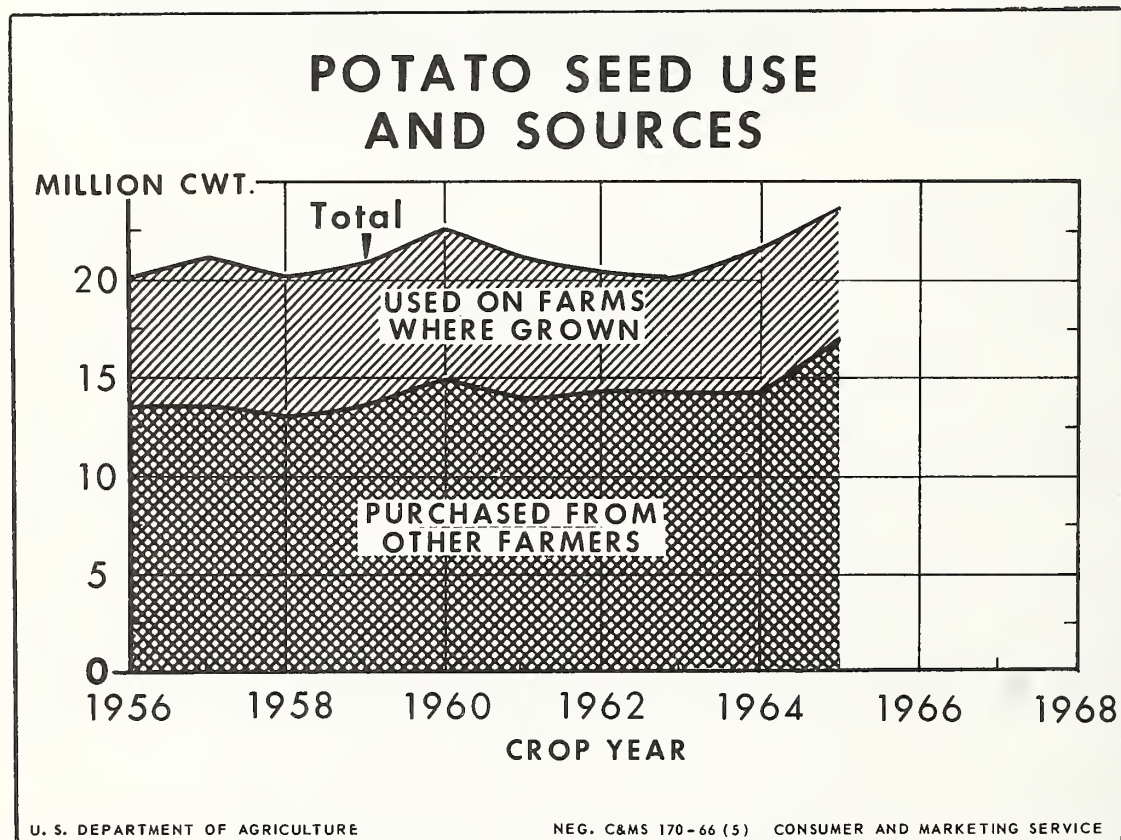
NEG. C&MS 32-66 (10) CONSUMER AND MARKETING SERVICE

The total quantity of potatoes used for seed varies directly with the total amount of acreage seeded. All potatoes have a seed potential. But growers use certified seed to insure higher yields, and to reduce the incidence of disease.

Most of the foreign trade in potatoes is with Canada. Potato production in Canada in 1966 is 57.0 million hundredweight or 23 percent more than the 46.5 million indicated in 1965. The export potential in Canada this season is much greater than a year ago.

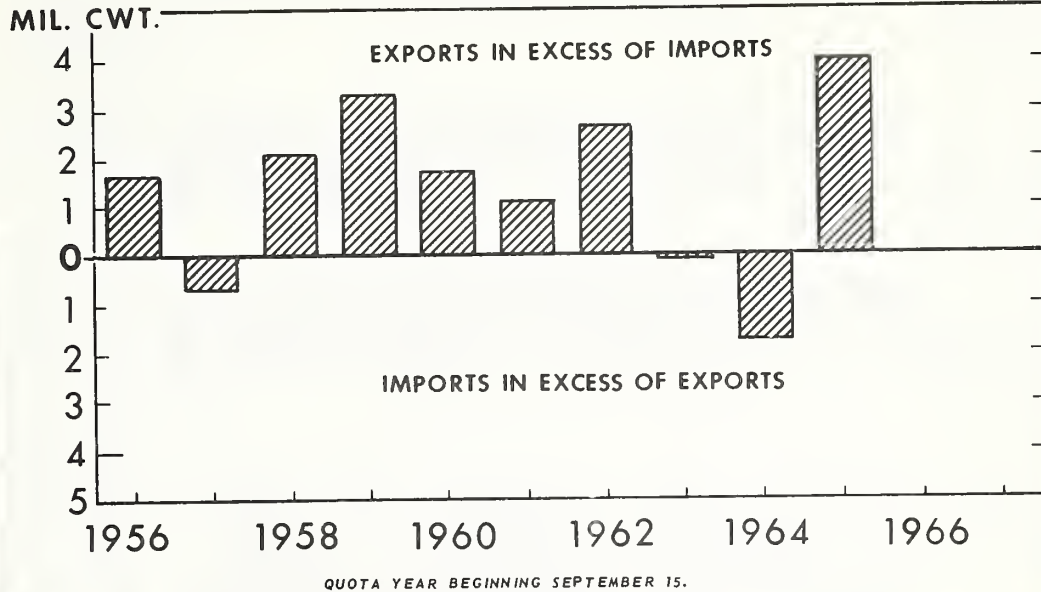
A duty of 37.5 cents per hundredweight is applicable to the first 1.59 million hundredweight of potatoes imported each quota year. Imports in excess of this quantity incur a duty of 75 cents per hundredweight.

Potato retail prices increased sharply in the first half of 1965. A small carryover of storage potatoes was largely responsible for the strong market. In addition, the spring crop in 1965 was reduced by dry weather. And there was little bunching in spring harvests.



FRESH POTATOES

Foreign Trade

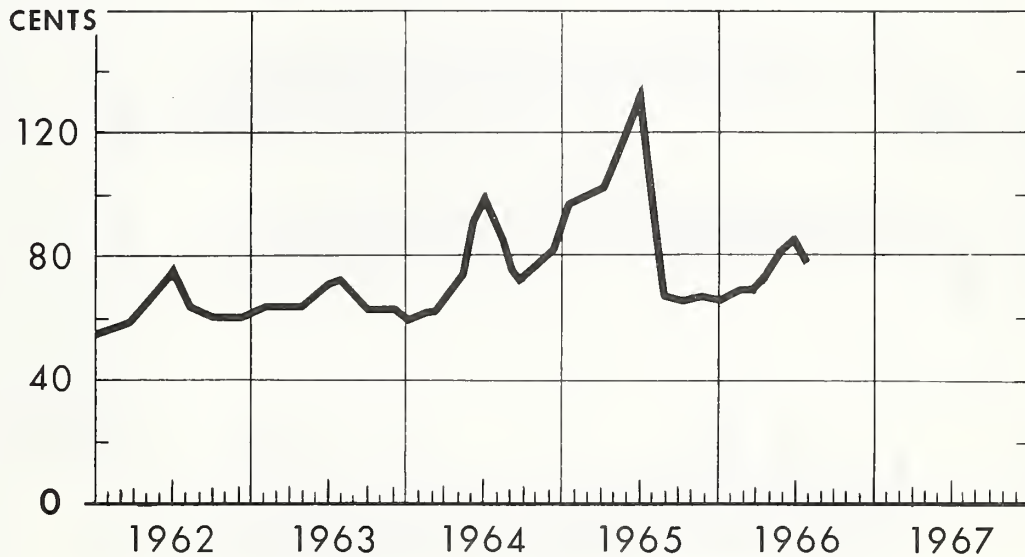


U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 176-66 (5) CONSUMER AND MARKETING SERVICE

POTATOES

Monthly Average Retail Price*



*FOR 10 POUNDS IN LEADING CITIES.

DATA FROM BUREAU OF LABOR STATISTICS.

U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 178-66

CONSUMER AND MARKETING SERVICE

Potatoes: Number of farms reporting Irish potatoes harvested for home use or sale
with comparisons, 1964 Census of Agriculture
(Preliminary report)

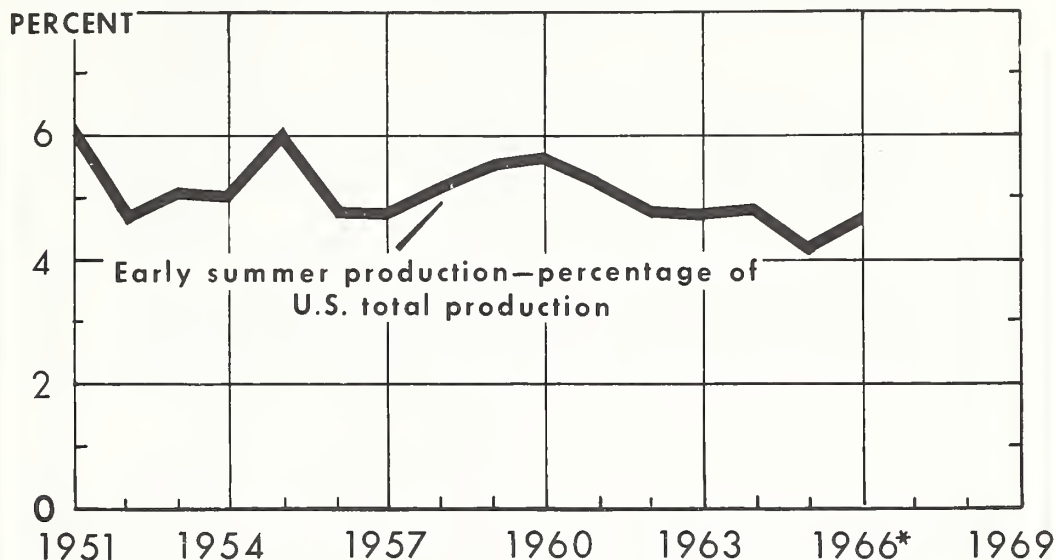
State	Farms reporting		Number		Percent		State	Farms reporting		Number		Percent		Number of farms in 1964 as percentage of 1959
	1959		1964		1959			1964		1959		1964		
	Number	Percent	Number	Percent	Number	Percent		Number	Percent	Number	Percent			
Alabama	21,199	26	5,474	26	:	:	:Montana	3,686	:	1,841	50			
Alaska	149	70	105	70	:	:	:Nebraska	8,187	:	3,867	47			
Arizona	87	66	57	66	:	:	:Nevada	133	:	69	52			
Arkansas	28,735	41	11,654	41	:	:	:New Hampshire	1,526	:	680	45			
California	1,151	75	863	75	:	:	:New Jersey	692	:	433	63			
Colorado	1,712	61	1,040	61	:	:	:New Mexico	77	:	67	87			
Connecticut	1,069	36	387	36	:	:	:New York	8,840	:	4,763	54			
Delaware	694	24	169	24	:	:	:North Carolina	72,712	:	30,784	42			
Florida	1,203	70	839	70	:	:	:North Dakota	6,801	:	5,872	86			
Georgia	9,720	33	3,179	33	:	:	:Ohio	11,728	:	8,967	76			
Hawaii	79	39	31	39	:	:	:Oklahoma	13,735	:	5,434	40			
Idaho	6,261	71	4,435	71	:	:	:Oregon	2,432	:	1,870	77			
Illinois	21,743	27	5,954	27	:	:	:Pennsylvania	13,385	:	8,011	60			
Indiana	13,854	52	7,243	52	:	:	:Rhode Island	152	:	89	59			
Iowa	18,170	48	8,656	48	:	:	:South Carolina	5,461	:	1,584	29			
Kansas	13,610	44	5,935	44	:	:	:South Dakota	1,960	:	1,130	58			
Kentucky	73,851	51	37,848	51	:	:	:Tennessee	64,939	:	23,789	37			
Louisiana	9,310	32	2,977	32	:	:	:Texas	18,687	:	8,470	45			
Maine	5,818	70	4,052	70	:	:	:Utah	1,568	:	930	59			
Maryland	4,091	48	1,967	48	:	:	:Vermont	2,801	:	1,212	43			
Massachusetts	1,270	51	648	51	:	:	:Virginia	47,190	:	23,937	51			
Michigan	12,183	45	5,492	45	:	:	:Washington	3,681	:	2,139	58			
Minnesota	21,471	37	7,840	37	:	:	:West Virginia	27,370	:	17,296	63			
Mississippi	27,857	23	6,483	23	:	:	:Wisconsin	19,853	:	8,226	41			
Missouri	51,671	48	25,005	48	:	:	:Wyoming	299	:	220	74			
					:	:	:U. S.	684,853	:	310,013	45			

Note: These are preliminary data for the Census of Agriculture taken in the fall of 1964, and comparable final data for the 1959 Census. The Census farms comprise places of less than 10 acres if the estimated sales of agricultural products for the year amounted, or normally would amount to at least \$250. Places of 10 or more acres were counted as farms if the estimated sales of agricultural products for the year amounted or normally would amount to at least \$50.

Source: Series AC 64Pl, Bureau of the Census.

EARLY SUMMER POTATOES

Source of 5 Percent of U.S. Crop



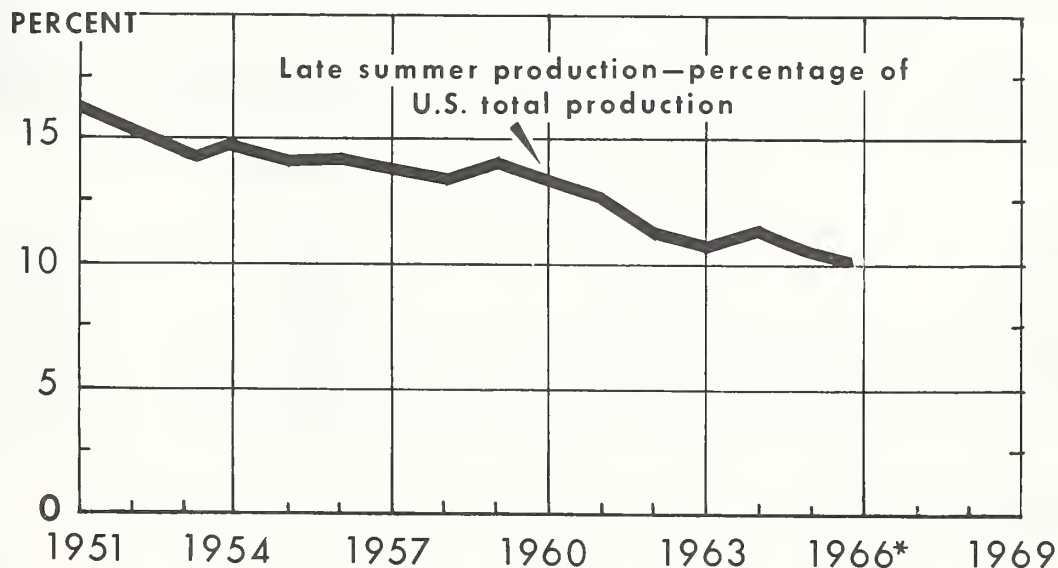
*PRELIMINARY.

U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 205-66 (10) CONSUMER AND MARKETING SERVICE

LATE SUMMER POTATOES

Source of 10 Percent of U.S. Crop



*PRELIMINARY.

U. S. DEPARTMENT OF AGRICULTURE

NEG. C&MS 204-66 (10) CONSUMER AND MARKETING SERVICE

SPRING POTATO SHIPMENTS

Shown below is a summary of potato shipments originating in major spring producing states in 1966 with comparisons California, Florida and Alabama in that order were the leading sources in 1966.

State	Shipments, April 1 - July 31		
	1964	1965	1966
<u>Carlot equivalents</u>			
Alabama	4,288	4,582	4,944
Arizona	4,406	5,100	4,875
California	27,487	33,780	28,470
Florida	8,560	9,633	9,707
North Carolina	incomplete	2,281	1,778
Texas	1,150	1,099	1,264